#### STATE OF MINNESOTA

## EIGHTY-FIFTH SESSION — 2008

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#### NINETY-SEVENTH DAY

# SAINT PAUL, MINNESOTA, TUESDAY, APRIL 1, 2008

The House of Representatives convened at 10:00 a.m. and was called to order by Paul Thissen, Speaker pro tempore.

Prayer was offered by the Reverend Melanie Homan, Centennial United Methodist Church, Roseville, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dettmer	Haws	Lesch	Otremba	Slocum
Anderson, B.	Dill	Heidgerken	Liebling	Ozment	Smith
Anderson, S.	Dittrich	Hilstrom	Lieder	Paulsen	Solberg
Anzelc	Dominguez	Hilty	Lillie	Paymar	Swails
Atkins	Doty	Holberg	Loeffler	Pelowski	Thao
Beard	Drazkowski	Hoppe	Madore	Peppin	Thissen
Benson	Eastlund	Hornstein	Mahoney	Peterson, A.	Tillberry
Berns	Eken	Hortman	Mariani	Peterson, N.	Tingelstad
Bigham	Emmer	Hosch	Marquart	Peterson, S.	Tschumper
Bly	Erickson	Howes	Masin	Poppe	Urdahl
Brod	Faust	Huntley	McFarlane	Rukavina	Wagenius
Brown	Finstad	Jaros	McNamara	Ruth	Walker
Brynaert	Fritz	Johnson	Moe	Ruud	Ward
Buesgens	Gardner	Kahn	Morgan	Sailer	Wardlow
Bunn	Garofalo	Kalin	Morrow	Scalze	Welti
Carlson	Gottwalt	Knuth	Murphy, E.	Seifert	Westrom
Clark	Greiling	Koenen	Murphy, M.	Sertich	Winkler
Cornish	Gunther	Kohls	Nelson	Severson	Wollschlager
Davnie	Hackbarth	Kranz	Nornes	Shimanski	Zellers
Dean	Hamilton	Laine	Norton	Simon	Spk. Kelliher
DeLaForest	Hansen	Lanning	Olin	Simpson	_
Demmer	Hausman	Lenczewski	Olson	Slawik	

A quorum was present.

Juhnke and Magnus were excused.

Mullery was excused until 11:05 a.m. Erhardt was excused until 1:35 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. McNamara moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 2915 and H. F. No. 3478, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Peterson, N., moved that the rules be so far suspended that S. F. No. 2915 be substituted for H. F. No. 3478 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES AND DIVISIONS

Hilty from the Energy Finance and Policy Division to which was referred:

H. F. No. 995, A resolution memorializing the Governor to take action to prepare a plan of response and preparation to meet the challenges of Peak Oil.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Lenczewski from the Committee on Taxes to which was referred:

H. F. No. 1812, A bill for an act relating to the organization and operation of state government; providing for programs in education, higher education, environment and natural resources, energy, agriculture, veterans affairs, military affairs, jobs and economic development activities or programs, transportation, public safety, courts, human rights, judiciary, housing, public health, health department, and human services; modifying certain statutory provisions and laws; providing for certain programs for economic and state affairs; regulating certain activities and practices; fixing and limiting fees; authorizing rulemaking, requiring studies and reports; providing civil penalties; making technical corrections; providing for fund transfers; appropriating money or reducing appropriations; amending Minnesota Statutes 2006, sections 3.30, subdivision 1; 3.855, subdivision 3; 3.971, subdivision 2; 10A.071, subdivision 3; 13.32, subdivision 3, by adding a subdivision; 13.461, by adding a subdivision; 13.465, subdivision 8; 13.851, by adding a subdivision; 15A.081, subdivision 8; 15A.0815; 16A.133, subdivision 1; 16B.281, subdivision 3; 16B.282; 16B.283; 16B.284; 16B.287, subdivision 2; 16C.16, subdivision 5; 16E.01, subdivision 3; 16E.03, subdivision 1; 16E.04, subdivision 2; 17.4988, subdivisions 2, 3; 43A.01, subdivision 3; 43A.17, subdivision 9; 84.788, subdivision 3; 84.82, subdivision 2, by adding a subdivision; 84.922, subdivision 2; 84.9256, subdivision 1; 85.011; 85.012, subdivisions 28, 49a; 85.013, subdivision 1; 85.054, subdivision 3, by adding a subdivision; 86B.401, subdivision 2; 88.15, subdivision 2; 89.715; 93.481, by adding a subdivision; 97A.055, subdivision 4b; 97A.141, subdivision 1; 103A.204; 103A.43; 103B.151, subdivision 1; 103G.291, by adding a subdivision; 103G.615, subdivision 2; 116J.423, by adding a subdivision; 116J.8731, subdivision 4; 116L.17, by adding a subdivision; 116U.26; 119A.03, subdivision 1; 120B.131, subdivision 2; 120B.31, as amended; 120B.35, as amended; 120B.36, as amended; 120B.362; 122A.21; 123B.02, subdivision 21; 123B.59, subdivision 1; 123B.62; 124D.04, subdivisions 3, 6, 8, 9; 124D.05, by adding a subdivision; 124D.10, subdivision 20; 124D.385, subdivision 4; 124D.55; 125A.65, by adding a subdivision; 125A.76, by adding a subdivision; 126C.10, subdivision 31, by adding a subdivision; 126C.17, subdivision 9; 126C.21, subdivision 1; 126C.51; 126C.52, subdivision 2, by adding a subdivision; 126C.53; 126C.55; 127A.45, subdivision 16; 136A.101, subdivision 8; 136A.121, subdivision 5; 136F.90, subdivision 1; 141.25, by adding a subdivision; 144.1222, subdivision 1a, by adding subdivisions; 144.1501, subdivision 2; 144.218, subdivision 1; 144.225, subdivision 2;

144.2252; 144.226, subdivision 1; 157.16, as amended; 168.1255, by adding a subdivision; 171.29, subdivision 1; 190.19, subdivision 1, by adding a subdivision; 192.501, by adding subdivisions; 197.585, subdivision 5; 216C.41, subdivision 4; 253B.045, subdivisions 1, 2, by adding a subdivision; 253B.185, subdivision 5; 256.01, by adding a subdivision; 256.741, subdivisions 2, 2a, 3; 256.969, subdivisions 2b, 20; 256B.0571, subdivisions 8, 9; 256B.0621, subdivisions 2, 6, 10; 256B.0917, subdivision 8; 256B.0924, subdivisions 4, 6; 256B.19, subdivision 1d; 256B.431, subdivision 23; 256B.69, subdivisions 5a, 6, by adding subdivisions; 256B.692, subdivision 2, by adding a subdivision; 256D.44, subdivisions 2, 5; 256L.12, subdivision 9; 259.89, subdivision 1; 260C.317, subdivision 4; 268.125, subdivisions 1, 2, by adding a subdivision; 298.2214, subdivisions 1, 2, as amended; 298.223, subdivision 2; 298.28, subdivisions 9b, 9d, as added; 298.292, subdivision 2, as amended; 298.2961, subdivision 2; 341.21, as amended; 341.23; 341.26; 341.28, as amended; 341.29; 341.30; 341.32, as amended; 341.33; 341.34, subdivision 1; 341.35; 341.37; 349A.02, subdivision 1; 446A.12, subdivision 1; 462A.22, subdivision 1; 473.1565, subdivision 3; 518A.50; 518A.53, subdivision 5; 609.531, subdivision 1; Minnesota Statutes 2007 Supplement, sections 3.922, by adding a subdivision; 10A.01, subdivision 35; 16B.328, by adding a subdivision; 84.8205, subdivision 1; 103G.291, subdivision 3; 116J.575, subdivision 1a; 116L.17, subdivision 1; 120B.021, subdivision 1; 120B.024; 120B.30; 123B.143, subdivision 1; 124D.531, subdivision 1; 126C.21, subdivision 3; 126C.44; 136A.121, subdivision 7a; 136A.126; 136A.127; 136A.128, by adding a subdivision; 136A.65, subdivisions 1, 3, 5, 6, 7; 136A.66; 136A.67; 136A.69; 136F.02, subdivision 1; 136F.03, subdivision 4; 141.25, subdivision 5; 141.28, subdivision 1; 141.35; 190.19, subdivision 2; 214.04, subdivision 3; 216C.052, subdivision 2; 216C.41, subdivision 3; 253B.185, subdivision 1b; 256.741, subdivision 1; 256B.0625, subdivision 20; 256B.0631, subdivisions 1, 3; 256B.199; 256B.434, subdivision 19; 256J.621; 268.047, subdivisions 1, 2; 268.085, subdivisions 3, 9, 16; 268.125, subdivision 3; 298.227; 341.22; 341.25; 341.27; 341.321; 446A.072, subdivisions 3, 5a; 446A.086; Laws 1999, chapter 223, article 2, section 72; Laws 2006, chapter 282, article 2, section 27, subdivision 4; Laws 2007, chapter 45, article 2, section 1; Laws 2007, chapter 54, article 1, section 11; Laws 2007, chapter 57, article 1, section 4, subdivisions 3, 4, 6; Laws 2007, chapter 135, article 1, section 3, subdivisions 2, 3; Laws 2007, chapter 144, article 1, sections 3, subdivisions 2, 18; 5, subdivisions 2, 5; Laws 2007, chapter 146, article 1, section 24, subdivisions 2, 3, 4, 5, 6, 7, 8; article 2, section 46, subdivisions 2, 3, 4, 6, 9, 13; article 3, sections 23, subdivision 2; 24, subdivisions 3, 4, 9; article 4, section 16, subdivisions 2, 3, 6, 8; article 5, section 13, subdivisions 2, 3, 4, 5; article 7, section 4; article 9, section 17, subdivisions 2, 3, 4, 8, 9, 13; Laws 2007, chapter 147, article 2, section 21; article 19, section 3, subdivisions 1, 4; Laws 2007, chapter 148, article 1, sections 7; 12, subdivision 4; Laws 2007, First Special Session chapter 2, article 1, section 11, subdivisions 1, 2, 6; Laws 2008, chapter 152, article 1, section 6, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 5; 13B; 16A; 43A; 115A; 116J; 120B; 121A; 124D; 127A; 136F; 144; 192; 256B; 268; 325F; 341; 446A; repealing Minnesota Statutes 2006, sections 16B.281, subdivisions 2, 4, 5; 16B.285; 84.961, subdivision 4; 85.013, subdivision 21b; 97A.141, subdivision 2; 121A.67; 125A.16; 125A.19; 125A.20; 125A.57; 168.123, subdivision 2a; 256.741, subdivision 15; 256J.24, subdivision 6; 259.83, subdivision 3; 259.89, subdivisions 2, 3, 4, 5; 298.28, subdivision 9a; 341.31; 645.44, subdivision 19; Minnesota Statutes 2007 Supplement, section 256.969, subdivision 27; Laws 1989, chapter 335, article 1, section 21, subdivision 8, as amended; Laws 2004, chapter 188, section 2; Laws 2006, chapter 263, article 3, section 16; Laws 2007, First Special Session chapter 2, article 1, section 11, subdivisions 3, 4.

Reported the same back with the following amendments:

Page 153, line 33, after "to" insert "the city of"

Page 188, delete lines 29 to 34

Page 189, delete lines 1 and 2 and insert:

"(b) The owner, operator, or manager of the following mines shall pay:

(1) Minntac and Keetac, \$90,000;

- (2) North Shore, Hibbing Taconite, and United Taconite, \$90,000;
- (3) the Minorca mine, \$10,000;
- (4) Minnesota Steel, \$3,333;
- (5) Mesaba Nugget, \$3,333; and
- (6) Cliffs Erie, formerly LTV, \$3,333."

Page 359, after line 26, insert:

#### "ARTICLE 26

#### **TAXES**

Section 1. Minnesota Statutes 2007 Supplement, section 80A.28, subdivision 1, is amended to read:

Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of \$100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed \$300.

- (b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.13, subdivision 1, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.
- (c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the commissioner, the issuer shall submit an amended notice filing to the commissioner under section 80A.122, subdivision 1, clause (3), together with a fee of 1/20 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the commissioner as provided in this section and section 80A.122, subdivision 4a. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Beginning with fiscal year 2001 and continuing each fiscal year thereafter, as of the last day of each fiscal year, the commissioner shall determine the total amount of all fees that were collected under this paragraph in connection with any filings made for that fiscal year for securities of an open-end investment company on behalf of a security that is a federal covered security pursuant to section 18(b)(2) of the Securities Act of 1933. To the extent the total

fees collected by the commissioner in connection with these filings exceed \$25,600,000 \$31,385,000 in a fiscal year, the commissioner shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the commissioner in excess of \$25,600,000 \$31,385,000. No individual refund is required of amounts of \$100 or less for a fiscal year.

## **EFFECTIVE DATE.** This section is effective beginning for refunds paid for fiscal year 2008.

- Sec. 2. Minnesota Statutes 2006, section 290.01, subdivision 5, is amended to read:
- Subd. 5. **Domestic corporation.** The term "domestic" when applied to a corporation means a corporation:
- (1) created or organized in the United States, or under the laws of the United States or of any state, the District of Columbia, or any political subdivision of any of the foregoing but not including the Commonwealth of Puerto Rico, or any possession of the United States;
  - (2) which qualifies as a DISC, as defined in section 992(a) of the Internal Revenue Code; or
  - (3) which qualifies as a FSC, as defined in section 922 of the Internal Revenue Code;
  - (4) which is incorporated in a tax haven;
- (5) which is engaged in activity in a tax haven sufficient for the tax haven to impose a net income tax under United States constitutional standards and section 290.015; or
- (6) which has the average of its property, payroll, and sales factors, as defined under section 290.191, within the 50 states of the United States and the District of Columbia of 20 percent or more.

# **EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007.

- Sec. 3. Minnesota Statutes 2006, section 290.01, is amended by adding a subdivision to read:
- Subd. 5c. Tax haven. (a) "Tax haven" means a foreign jurisdiction designated under this subdivision.
- (b) The commissioner may designate a foreign jurisdiction as a tax haven by revenue notice if the jurisdiction has:
  - (1) no or a nominal effective tax on income of a corporation; and
- (2) corporate, business, bank, or tax secrecy rules or practices that, in the judgment of the commissioner, unreasonably restrict the ability of the United States, and thereby the state of Minnesota, to obtain information relevant to the enforcement of taxes on corporations based on net income. These rules or practices may be either formal laws, regulations, or rules or be informal government and business practices that have the effect of inhibiting access by law enforcement and tax administration authorities.
- (c) The following foreign jurisdictions are deemed to be tax havens, unless the commissioner, by revenue notice, revokes the listing of a jurisdiction:
  - (1) Anguilla;
  - (2) Antigua and Barbuda;

( <u>3</u> ) Aruba;
(4) Bahamas;
(5) Barbados;
(6) Belize:
(7) Bermuda;
(8) British Virgin Islands;
(9) Cayman Islands;
(10) Cook Islands;
(11) Dominica;
(12) Gibraltar;
(13) Grenada;
(14) Guernsey-Sark-Alderney;
(15) Isle of Man;
(16) Jersey;
(17) Latvia;
(18) Liechtenstein;
(19) Luxembourg;
(20) Nauru;
(21) Netherlands Antilles;
(22) Panama;
(23) Samoa;
(24) Saint Kitts and Nevis;
(25) Saint Lucia;
(26) Saint Vincent and Grenadines;
(27) Turks and Caicos; and
(28) Vanuatu.

(d) The commissioner shall revoke a foreign jurisdiction's listing under paragraph (b) or (c), as applicable, if the United States enters into a tax treaty or other agreement with the foreign jurisdiction that provides for prompt, obligatory, and automatic exchange of information with the United States government relevant to enforcing the provisions of federal tax laws and the treaty or other agreement was in effect for the taxable year.

# **EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007.

- Sec. 4. Minnesota Statutes 2006, section 290.01, subdivision 19c, as amended by Laws 2008, chapter 154, article 4, section 4, is amended to read:
- Subd. 19c. Corporations; additions to federal taxable income. For corporations, there shall be added to federal taxable income:
- (1) the amount of any deduction taken for federal income tax purposes for income, excise, or franchise taxes based on net income or related minimum taxes, including but not limited to the tax imposed under section 290.0922, paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or any foreign country or possession of the United States;
- (2) interest not subject to federal tax upon obligations of: the United States, its possessions, its agencies, or its instrumentalities; the state of Minnesota or any other state, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities; the District of Columbia; or Indian tribal governments;
  - (3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal Revenue Code;
- (4) the amount of any net operating loss deduction taken for federal income tax purposes under section 172 or 832(c)(10) of the Internal Revenue Code or operations loss deduction under section 810 of the Internal Revenue Code;
- (5) the amount of any special deductions taken for federal income tax purposes under sections 241 to 247 and 965 of the Internal Revenue Code;
- (6) losses from the business of mining, as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota income tax:
- (7) the amount of any capital losses deducted for federal income tax purposes under sections 1211 and 1212 of the Internal Revenue Code;
- (8) the exempt foreign trade income of a foreign sales corporation under sections 921(a) and 291 of the Internal Revenue Code;
- (9) the amount of percentage depletion deducted under sections 611 through 614 and 291 of the Internal Revenue Code:
- (10) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, the amount of the amortization deduction allowed in computing federal taxable income for those facilities;
- (11) the amount of any deemed dividend from a foreign operating corporation determined pursuant to section 290.17, subdivision 4, paragraph (g);

- (12) the amount of a partner's pro rata share of net income which does not flow through to the partner because the partnership elected to pay the tax on the income under section 6242(a)(2) of the Internal Revenue Code;
  - (13) (12) the amount of net income excluded under section 114 of the Internal Revenue Code;
- (14) (13) any increase in subpart F income, as defined in section 952(a) of the Internal Revenue Code, for the taxable year when subpart F income is calculated without regard to the provisions of section 103 of Public Law 109-222;
- (15) (14) 80 percent of the depreciation deduction allowed under section 168(k)(1)(A) and (k)(4)(A) of the Internal Revenue Code. For purposes of this clause, if the taxpayer has an activity that in the taxable year generates a deduction for depreciation under section 168(k)(1)(A) and (k)(4)(A) and the activity generates a loss for the taxable year that the taxpayer is not allowed to claim for the taxable year, "the depreciation allowed under section 168(k)(1)(A) and (k)(4)(A)" for the taxable year is limited to excess of the depreciation claimed by the activity under section 168(k)(1)(A) and (k)(4)(A) over the amount of the loss from the activity that is not allowed in the taxable year. In succeeding taxable years when the losses not allowed in the taxable year are allowed, the depreciation under section 168(k)(1)(A) and (k)(4)(A) is allowed;
- (16) (15) 80 percent of the amount by which the deduction allowed by section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code of 1986, as amended through December 31, 2003;
- (17) (16) to the extent deducted in computing federal taxable income, the amount of the deduction allowable under section 199 of the Internal Revenue Code;
- (18) (17) the exclusion allowed under section 139A of the Internal Revenue Code for federal subsidies for prescription drug plans; and
- (19) (18) for taxable years beginning after December 31, 2006, and before January 1, 2008, the additional amount allowed as a deduction for donation of computer technology and equipment under section 170(e)(6) of the Internal Revenue Code, to the extent deducted from taxable income.

### **EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007.

- Sec. 5. Minnesota Statutes 2006, section 290.01, subdivision 19d, as amended by Laws 2008, chapter 154, article 11, section 12, is amended to read:
- Subd. 19d. **Corporations; modifications decreasing federal taxable income.** For corporations, there shall be subtracted from federal taxable income after the increases provided in subdivision 19c:
- (1) the amount of foreign dividend gross-up added to gross income for federal income tax purposes under section 78 of the Internal Revenue Code;
- (2) the amount of salary expense not allowed for federal income tax purposes due to claiming the work opportunity credit under section 51 of the Internal Revenue Code;
- (3) any dividend (not including any distribution in liquidation) paid within the taxable year by a national or state bank to the United States, or to any instrumentality of the United States exempt from federal income taxes, on the preferred stock of the bank owned by the United States or the instrumentality;

- (4) amounts disallowed for intangible drilling costs due to differences between this chapter and the Internal Revenue Code in taxable years beginning before January 1, 1987, as follows:
- (i) to the extent the disallowed costs are represented by physical property, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7, subject to the modifications contained in subdivision 19e; and
- (ii) to the extent the disallowed costs are not represented by physical property, an amount equal to the allowance for cost depletion under Minnesota Statutes 1986, section 290.09, subdivision 8;
  - (5) the deduction for capital losses pursuant to sections 1211 and 1212 of the Internal Revenue Code, except that:
- (i) for capital losses incurred in taxable years beginning after December 31, 1986, capital loss carrybacks shall not be allowed;
- (ii) for capital losses incurred in taxable years beginning after December 31, 1986, a capital loss carryover to each of the 15 taxable years succeeding the loss year shall be allowed;
- (iii) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryback to each of the three taxable years preceding the loss year, subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed; and
- (iv) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryover to each of the five taxable years succeeding the loss year to the extent such loss was not used in a prior taxable year and subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed;
- (6) an amount for interest and expenses relating to income not taxable for federal income tax purposes, if (i) the income is taxable under this chapter and (ii) the interest and expenses were disallowed as deductions under the provisions of section 171(a)(2), 265 or 291 of the Internal Revenue Code in computing federal taxable income;
- (7) in the case of mines, oil and gas wells, other natural deposits, and timber for which percentage depletion was disallowed pursuant to subdivision 19c, clause (9), a reasonable allowance for depletion based on actual cost. In the case of leases the deduction must be apportioned between the lessor and lessee in accordance with rules prescribed by the commissioner. In the case of property held in trust, the allowable deduction must be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the trust, or if there is no provision in the instrument, on the basis of the trust's income allocable to each;
- (8) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7;
- (9) amounts included in federal taxable income that are due to refunds of income, excise, or franchise taxes based on net income or related minimum taxes paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or a foreign country or possession of the United States to the extent that the taxes were added to federal taxable income under section 290.01, subdivision 19c, clause (1), in a prior taxable year;
- (10) 80 percent of royalties, fees, or other like income accrued or received from a foreign operating corporation or a foreign corporation which is part of the same unitary business as the receiving corporation;

- (11) income or gains from the business of mining as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota franchise tax;
- (12) (11) the amount of disability access expenditures in the taxable year which are not allowed to be deducted or capitalized under section 44(d)(7) of the Internal Revenue Code;
- (13) (12) the amount of qualified research expenses not allowed for federal income tax purposes under section 280C(c) of the Internal Revenue Code, but only to the extent that the amount exceeds the amount of the credit allowed under section 290.068;
- (14) (13) the amount of salary expenses not allowed for federal income tax purposes due to claiming the Indian employment credit under section 45A(a) of the Internal Revenue Code;
- (15) (14) for taxable years beginning before January 1, 2008, the amount of the federal small ethanol producer credit allowed under section 40(a)(3) of the Internal Revenue Code which is included in gross income under section 87 of the Internal Revenue Code:
- (16) (15) for a corporation whose foreign sales corporation, as defined in section 922 of the Internal Revenue Code, constituted a foreign operating corporation during any taxable year ending before January 1, 1995, and a return was filed by August 15, 1996, claiming the deduction under section 290.21, subdivision 4, for income received from the foreign operating corporation, an amount equal to 1.23 multiplied by the amount of income excluded under section 114 of the Internal Revenue Code, provided the income is not income of a foreign operating company;
- (17) (16) any decrease in subpart F income, as defined in section 952(a) of the Internal Revenue Code, for the taxable year when subpart F income is calculated without regard to the provisions of section 103 of Public Law 109-222;
- (16) (17) in each of the five tax years immediately following the tax year in which an addition is required under subdivision 19c, clause (15) (14), an amount equal to one-fifth of the delayed depreciation. For purposes of this clause, "delayed depreciation" means the amount of the addition made by the taxpayer under subdivision 19c, clause (15) (14). The resulting delayed depreciation cannot be less than zero; and
- $\frac{(17)}{(18)}$  in each of the five tax years immediately following the tax year in which an addition is required under subdivision 19c, clause  $\frac{(16)}{(15)}$ , an amount equal to one-fifth of the amount of the addition.
- **EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2008, provided that for taxable years beginning after December 31, 2007, and before January 1, 2009, the subtraction under clause (10) is not allowed to foreign operating corporations and is limited to income paid to the corporation by a foreign corporation that is part of the unitary business for the use of or privilege of using outside of the United States patents, copyrights, secret processes and formulas, good will, know-how, trademarks, trade brands, franchises, and other like property and is further limited to the extent those items are included in the corporation's federal taxable income for the taxable year.
  - Sec. 6. Minnesota Statutes 2006, section 290.17, subdivision 4, is amended to read:
- Subd. 4. **Unitary business principle.** (a) If a trade or business conducted wholly within this state or partly within and partly without this state is part of a unitary business, the entire income of the unitary business is subject to apportionment pursuant to section 290.191. Notwithstanding subdivision 2, paragraph (c), none of the income of a unitary business is considered to be derived from any particular source and none may be allocated to a particular place except as provided by the applicable apportionment formula. The provisions of this subdivision do not apply to business income subject to subdivision 5, income of an insurance company, or income of an investment company determined under section 290.36.

- (b) The term "unitary business" means business activities or operations which result in a flow of value between them. The term may be applied within a single legal entity or between multiple entities and without regard to whether each entity is a sole proprietorship, a corporation, a partnership or a trust.
- (c) Unity is presumed whenever there is unity of ownership, operation, and use, evidenced by centralized management or executive force, centralized purchasing, advertising, accounting, or other controlled interaction, but the absence of these centralized activities will not necessarily evidence a nonunitary business. Unity is also presumed when business activities or operations are of mutual benefit, dependent upon or contributory to one another, either individually or as a group.
- (d) Where a business operation conducted in Minnesota is owned by a business entity that carries on business activity outside the state different in kind from that conducted within this state, and the other business is conducted entirely outside the state, it is presumed that the two business operations are unitary in nature, interrelated, connected, and interdependent unless it can be shown to the contrary.
- (e) Unity of ownership is not deemed to exist when a corporation is involved unless that corporation is a member of a group of two or more business entities and more than 50 percent of the voting stock of each member of the group is directly or indirectly owned by a common owner or by common owners, either corporate or noncorporate, or by one or more of the member corporations of the group. For this purpose, the term "voting stock" shall include membership interests of mutual insurance holding companies formed under section 66A.40.
- (f) The net income and apportionment factors under section 290.191 or 290.20 of foreign corporations and other foreign entities which are part of a unitary business shall not be included in the net income or the apportionment factors of the unitary business. A foreign corporation or other foreign entity which is required to file a return under this chapter shall file on a separate return basis. The net income and apportionment factors under section 290.191 or 290.20 of foreign operating corporations shall not be included in the net income or the apportionment factors of the unitary business except as provided in paragraph (g).
- (g) The adjusted net income of a foreign operating corporation shall be deemed to be paid as a dividend on the last day of its taxable year to each shareholder thereof, in proportion to each shareholder's ownership, with which such corporation is engaged in a unitary business. Such deemed dividend shall be treated as a dividend under section 290.21, subdivision 4.

Dividends actually paid by a foreign operating corporation to a corporate shareholder which is a member of the same unitary business as the foreign operating corporation shall be eliminated from the net income of the unitary business in preparing a combined report for the unitary business. The adjusted net income of a foreign operating corporation shall be its net income adjusted as follows:

- (1) any taxes paid or accrued to a foreign country, the commonwealth of Puerto Rico, or a United States possession or political subdivision of any of the foregoing shall be a deduction; and
- (2) the subtraction from federal taxable income for payments received from foreign corporations or foreign operating corporations under section 290.01, subdivision 19d, clause (10), shall not be allowed.

If a foreign operating corporation incurs a net loss, neither income nor deduction from that corporation shall be included in determining the net income of the unitary business.

(h) For purposes of determining the net income of a unitary business and the factors to be used in the apportionment of net income pursuant to section 290.191 or 290.20, there must be included only the income and apportionment factors of domestic corporations or other domestic entities other than foreign operating corporations that are determined to be part of the unitary business pursuant to this subdivision, notwithstanding that foreign corporations or other foreign entities might be included in the unitary business.

- (i) (h) Deductions for expenses, interest, or taxes otherwise allowable under this chapter that are connected with or allocable against dividends, deemed dividends described in paragraph (g), or royalties, fees, or other like income described in section 290.01, subdivision 19d, clause (10), shall not be disallowed.
- (j) (i) Each corporation or other entity, except a sole proprietorship, that is part of a unitary business must file combined reports as the commissioner determines. On the reports, all intercompany transactions between entities included pursuant to paragraph (h) (g) must be eliminated and the entire net income of the unitary business determined in accordance with this subdivision is apportioned among the entities by using each entity's Minnesota factors for apportionment purposes in the numerators of the apportionment formula and the total factors for apportionment purposes of all entities included pursuant to paragraph (h) (g) in the denominators of the apportionment formula.
- (k) (j) If a corporation has been divested from a unitary business and is included in a combined report for a fractional part of the common accounting period of the combined report:
- (1) its income includable in the combined report is its income incurred for that part of the year determined by proration or separate accounting; and
- (2) its sales, property, and payroll included in the apportionment formula must be prorated or accounted for separately.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007, except the modifications to the new paragraph (h) are effective for taxable years beginning after December 31, 2008.

#### Sec. 7. **REPEALER.**

Minnesota Statutes 2006, section 290.01, subdivision 6b, is repealed.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2007."

Renumber the articles in sequence

Amend the title as follows:

Page 1, line 2, after "the" insert "financing" and after "organization" insert a comma

Page 1, line 9, after the second semicolon, insert "providing for the taxation of certain corporations;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Lenczewski from the Committee on Taxes to which was referred:

S. F. No. 3564, A bill for an act relating to transportation finance; correcting transitional rate of special fuel excise tax on compressed natural gas; amending Laws 2008, chapter 152, article 3, section 6.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2006, section 296A.083, as added by Laws 2008, chapter 152, article 2, section 1, is amended by adding a subdivision to read:

<u>Subd. 4.</u> <u>Surcharge administration.</u> <u>The audit, assessment, appeal, collection, enforcement, penalty, interest, refund, and administrative provisions that apply to the taxes in chapter 296A apply to the surcharge imposed by this section.</u>

# **EFFECTIVE DATE.** This section is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "providing for surcharge administration;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

#### SECOND READING OF HOUSE BILLS

H. F. No. 995 was read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 2915 and 3564 were read for the second time.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dill and Marquart introduced:

H. F. No. 4148, A bill for an act relating to liquor; authorizing a license; amending Minnesota Statutes 2006, section 340A.404, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce and Labor.

#### Dill introduced:

H. F. No. 4149, A bill for an act relating to taxation; expanding the use of the Two Harbors local sales tax revenue; amending Laws 1998, chapter 389, article 8, section 45, subdivisions 3, 4.

The bill was read for the first time and referred to the Committee on Taxes.

#### Dill introduced:

H. F. No. 4150, A bill for an act relating to taxation; providing property tax exemption for certain leased lands; modifying definition of personal property; clarifying tax-exempt property held under a lease; amending Minnesota Statutes 2006, sections 272.02, by adding a subdivision; 272.03, subdivision 2; 273.19, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

#### Hoppe introduced:

H. F. No. 4151, A bill for an act relating to retirement; authorizing a service credit purchase for the Teachers Retirement Association.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

Olson; Hosch; Hackbarth; Anderson, B.; Erickson; Heidgerken and Severson introduced:

H. F. No. 4152, A bill for an act relating to appropriations; providing for a water quality and lake restoration grant program; appropriating money; requiring a report.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Olson introduced:

H. F. No. 4153, A bill for an act relating to retirement; Public Employees Retirement Association police and fire fund; authorizing a joint and survivor annuity for a surviving spouse of a deceased retiree who elected a straight life annuity.

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections.

#### Paulsen introduced:

H. F. No. 4154, A bill for an act relating to health; permitting Minnesota residents to buy health coverage approved in other states; creating a Physician's Council on Health Care Policy to analyze health coverage mandates; providing a tax credit for persons without access to employer-based coverage; amending Minnesota Statutes 2006, sections 62A.02, by adding a subdivision; 290.06, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 62J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Loeffler introduced:

H. F. No. 4155, A bill for an act relating to property taxation; modifying the classifications and class rates of residential property that is not homesteaded; amending Minnesota Statutes 2006, section 273.13, subdivision 25, as amended.

The bill was read for the first time and referred to the Committee on Taxes.

Lesch and Johnson introduced:

H. F. No. 4156, A bill for an act relating to taxation; modifying proposed property tax hearing for Ramsey County, St. Paul, and Independent School District No. 625; amending Minnesota Statutes 2006, section 275.065, subdivision 8.

The bill was read for the first time and referred to the Committee on Taxes.

Faust; Eken; Peterson, A., and Tingelstad introduced:

H. F. No. 4157, A bill for an act relating to natural resources; modifying provisions relating to permits to harvest or destroy aquatic plants; requiring rulemaking; amending Minnesota Statutes 2006, sections 103G.005, by adding a subdivision; 103G.615, subdivision 3, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### CONSENT CALENDAR

Dill moved that the Consent Calendar be continued. The motion prevailed.

# REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Sertich from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Tuesday, April 1, 2008:

S. F. No. 1218; H. F. Nos. 3172, 3066, 3543, 3309 and 3483; S. F. No. 2755; and H. F. No. 2904.

Winkler was excused for the remainder of today's session.

#### CALENDAR FOR THE DAY

S. F. No. 2369 was reported to the House.

Bigham moved to amend S. F. No. 2369, the third engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2782, the first engrossment:

"Section 1. Minnesota Statutes 2006, section 123B.03, subdivision 1, is amended to read:

Subdivision 1. **Background check required.** (a) A school hiring authority, as defined in subdivision 3, shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all individuals who are offered employment in the school, as defined in subdivision 3. In order to be eligible for employment, an individual who is offered employment must provide an executed criminal history consent form and a money order or check payable to either the Bureau of Criminal Apprehension or the school hiring authority, at the election of the school hiring authority, in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. A school hiring authority electing to receive payment may, at its discretion, accept payment in the form of a negotiable instrument other than a money order or check and shall pay the superintendent of the Bureau of Criminal Apprehension directly to conduct the background check. The superintendent of the Bureau of Criminal Apprehension shall conduct the background check by retrieving criminal history data maintained in the criminal justice information system computers. A school hiring authority, at its discretion, may elect not to request a criminal history background check on an individual who holds an initial entrance license issued by the State Board of Teaching or the commissioner of education within the 12 months preceding an offer of employment.

- (b) A school hiring authority may use the results of a criminal background check conducted at the request of another school hiring authority if:
- (1) the results of the criminal background check are on file with the other school hiring authority or otherwise accessible;
  - (2) the other school hiring authority conducted a criminal background check within the previous 12 months;
- (3) the individual who is the subject of the criminal background check executes a written consent form giving a school hiring authority access to the results of the check; and
- (4) there is no reason to believe that the individual has committed an act subsequent to the check that would disqualify the individual for employment.
- (c) A school hiring authority may, at its discretion, request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on any individual who seeks to enter a school or its grounds for the purpose of serving as a school volunteer or working as an independent contractor or student employee. In order for an individual to enter a school or its grounds under this paragraph when the school hiring authority elects to request a criminal history background check on the individual, the individual first must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school district in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.
- (d) For all nonstate residents who are offered employment in a school, a school hiring authority shall request a criminal history background check on such individuals from the superintendent of the Bureau of Criminal Apprehension and from the government agency performing the same function in the resident state or, if no government entity performs the same function in the resident state, from the Federal Bureau of Investigation. Such individuals must provide an executed criminal history consent form and a money order, check, or other negotiable

instrument payable to the school hiring authority in an amount equal to the actual cost to the government agencies and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(e) Consistent with the terms in paragraph (a), a school hiring authority, as defined in subdivision 3, shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on an individual who elects to provide athletic coaching services or other extracurricular or cocurricular services to a district, regardless of the terms of the service, and the school hiring authority must have access to the results of the check before the individual begins providing the services.

# **EFFECTIVE DATE.** This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; requiring all K-12 athletic coaches to undergo criminal history background checks; amending Minnesota Statutes 2006, section 123B.03, subdivision 1."

The motion prevailed and the amendment was adopted.

Bigham, Swails and Dettmer moved to amend S. F. No. 2369, the third engrossment, as amended, as follows:

Page 3, line 2, delete everything after "service" and insert a period

Page 3, delete line 3

The motion prevailed and the amendment was adopted.

The Speaker assumed the Chair.

S. F. No. 2369, A bill for an act relating to education; requiring criminal history background checks; amending Minnesota Statutes 2006, section 123B.03, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Abeler	Berns	Bunn	DeLaForest	Doty	Fritz
Anderson, S.	Bigham	Carlson	Demmer	Eastlund	Gardner
Anzelc	Bly	Clark	Dettmer	Eken	Gottwalt
Atkins	Brod	Cornish	Dill	Erickson	Greiling
Beard	Brown	Davnie	Dittrich	Faust	Gunther
Benson	Brynaert	Dean	Dominguez	Finstad	Hamilton

Hansen	Kalin	Mahoney	Olin	Scalze	Tillberry
Hausman	Knuth	Mariani	Otremba	Seifert	Tingelstad
Haws	Koenen	Marquart	Ozment	Sertich	Tschumper
Hilstrom	Kohls	Masin	Paulsen	Severson	Urdahl
Hilty	Kranz	McFarlane	Paymar	Shimanski	Wagenius
Holberg	Laine	McNamara	Pelowski	Simon	Ward
Hoppe	Lanning	Moe	Peppin	Simpson	Wardlow
Hornstein	Lenczewski	Morgan	Peterson, A.	Slawik	Welti
Hortman	Lesch	Morrow	Peterson, N.	Slocum	Westrom
Hosch	Liebling	Murphy, E.	Peterson, S.	Smith	Wollschlager
Howes	Lieder	Murphy, M.	Poppe	Solberg	Zellers
Huntley	Lillie	Nelson	Ruth	Swails	Spk. Kelliher
Johnson	Loeffler	Nornes	Ruud	Thao	-
Kahn	Madore	Norton	Sailer	Thissen	

Those who voted in the negative were:

Anderson, B.	Drazkowski	Garofalo	Heidgerken	Olson	Walker
Buesgens	Emmer	Hackbarth	Jaros	Rukavina	

The bill was passed, as amended, and its title agreed to.

S. F. No. 2262, A bill for an act relating to telecommunications; repealing certain obsolete rules; repealing Minnesota Rules, parts 7810.0800; 7810.1300; 7810.2700; 7810.4000; 7810.5700; 7810.6200; 7810.6300; 7810.6500.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Greiling	Kahn	McFarlane	Peterson, N.
Anderson, B.	DeLaForest	Gunther	Kalin	McNamara	Peterson, S.
Anderson, S.	Demmer	Hackbarth	Knuth	Moe	Poppe
Anzelc	Dettmer	Hamilton	Koenen	Morgan	Rukavina
Atkins	Dill	Hansen	Kohls	Morrow	Ruth
Beard	Dittrich	Hausman	Kranz	Murphy, E.	Ruud
Benson	Dominguez	Haws	Laine	Murphy, M.	Sailer
Berns	Doty	Heidgerken	Lanning	Nelson	Scalze
Bigham	Drazkowski	Hilstrom	Lenczewski	Nornes	Seifert
Bly	Eastlund	Hilty	Lesch	Norton	Sertich
Brod	Eken	Holberg	Liebling	Olin	Severson
Brown	Emmer	Hoppe	Lieder	Olson	Shimanski
Brynaert	Erickson	Hornstein	Lillie	Otremba	Simon
Buesgens	Faust	Hortman	Loeffler	Ozment	Simpson
Bunn	Finstad	Hosch	Madore	Paulsen	Slawik
Carlson	Fritz	Howes	Mahoney	Paymar	Slocum
Clark	Gardner	Huntley	Mariani	Pelowski	Smith
Cornish	Garofalo	Jaros	Marquart	Peppin	Solberg
Davnie	Gottwalt	Johnson	Masin	Peterson, A.	Swails

Thao	Tingelstad	Wagenius	Wardlow	Wollschlager
Thissen	Tschumper	Walker	Welti	Zellers
Tillberry	Urdahl	Ward	Westrom	Spk. Kelliher

The bill was passed and its title agreed to.

S. F. No. 2653 was reported to the House.

Gardner moved to amend S. F. No. 2653, the first engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2785, the first engrossment:

"Section 1. Minnesota Statutes 2006, section 471.88, is amended by adding a subdivision to read:

Subd. 21. Contract with no bids required. Notwithstanding subdivision 1, a local school board may contract with a class of school district employees such as teachers or custodians where the spouse of a school board member is a member of the class of employees contracting with the school board and the employee spouse receives no special monetary or other benefit that is substantially different from the benefits that other members of the class receive under the employment contract. A school board invoking this exception must have a majority of disinterested school board members vote to approve the contract, direct the school board member spouse to abstain from voting to approve the contract, and publicly set out the essential facts of the contract at the meeting where the contract is approved.

## **EFFECTIVE DATE.** This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; establishing a conflict of interest exception for certain contracts requiring school board approval; amending Minnesota Statutes 2006, section 471.88, by adding a subdivision."

The motion prevailed and the amendment was adopted.

Ozment was excused for the remainder of today's session.

Buesgens offered an amendment to S. F. No. 2653, the first engrossment, as amended.

#### POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Buesgens amendment was not in order. The Speaker ruled the point of order well taken and the Buesgens amendment out of order.

Buesgens appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 83 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anzelc	Doty	Huntley	Loeffler	Olin	Slocum
Atkins	Eken	Jaros	Madore	Otremba	Solberg
Benson	Faust	Johnson	Mahoney	Paymar	Swails
Bigham	Fritz	Kahn	Mariani	Pelowski	Thao
Bly	Gardner	Kalin	Marquart	Peterson, A.	Thissen
Brown	Greiling	Knuth	Masin	Peterson, S.	Tillberry
Brynaert	Hansen	Koenen	Moe	Poppe	Tschumper
Bunn	Hausman	Kranz	Morgan	Rukavina	Wagenius
Carlson	Haws	Laine	Morrow	Ruud	Walker
Clark	Hilstrom	Lenczewski	Mullery	Sailer	Ward
Davnie	Hilty	Lesch	Murphy, E.	Scalze	Welti
Dill	Hornstein	Liebling	Murphy, M.	Sertich	Wollschlager
Dittrich	Hortman	Lieder	Nelson	Simon	Spk. Kelliher
Dominguez	Hosch	Lillie	Norton	Slawik	

Those who voted in the negative were:

Abeler	Dean	Finstad	Hoppe	Paulsen	Smith
Anderson, B.	DeLaForest	Garofalo	Howes	Peppin	Tingelstad
Anderson, S.	Demmer	Gottwalt	Kohls	Peterson, N.	Urdahl
Beard	Dettmer	Gunther	Lanning	Ruth	Wardlow
Berns	Drazkowski	Hackbarth	McFarlane	Seifert	Westrom
Brod	Eastlund	Hamilton	McNamara	Severson	Zellers
Buesgens	Emmer	Heidgerken	Nornes	Shimanski	
Cornish	Erickson	Holberg	Olson	Simpson	

So it was the judgment of the House that the decision of the Speaker should stand.

Eastlund offered an amendment to S. F. No. 2653, the first engrossment, as amended.

## POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Eastlund amendment was not in order. The Speaker ruled the point of order well taken and the Eastlund amendment out of order.

Buesgens offered an amendment to S. F. No. 2653, the first engrossment, as amended.

## POINT OF ORDER

Sertich raised a point of order pursuant to rule 3.21 that the Buesgens amendment was not in order. The Speaker ruled the point of order well taken and the Buesgens amendment out of order.

S. F. No. 2653, A bill for an act relating to education; establishing a conflict of interest exception for certain school contracts for professional and other services; amending Minnesota Statutes 2006, section 471.88, subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Haws	Lesch	Olson	Slocum
Anderson, B.	Dill	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dittrich	Hilstrom	Lieder	Paulsen	Solberg
Anzelc	Dominguez	Hilty	Lillie	Paymar	Swails
Atkins	Doty	Holberg	Loeffler	Pelowski	Thao
Beard	Drazkowski	Hoppe	Madore	Peppin	Thissen
Benson	Eastlund	Hornstein	Mahoney	Peterson, A.	Tillberry
Berns	Eken	Hortman	Mariani	Peterson, N.	Tingelstad
Bigham	Emmer	Hosch	Marquart	Peterson, S.	Tschumper
Bly	Erickson	Howes	Masin	Poppe	Urdahl
Brod	Faust	Huntley	McFarlane	Rukavina	Wagenius
Brown	Finstad	Jaros	McNamara	Ruth	Walker
Brynaert	Fritz	Johnson	Moe	Ruud	Ward
Buesgens	Gardner	Kahn	Morgan	Sailer	Wardlow
Bunn	Garofalo	Kalin	Morrow	Scalze	Welti
Carlson	Gottwalt	Knuth	Mullery	Seifert	Westrom
Clark	Greiling	Koenen	Murphy, E.	Sertich	Wollschlager
Cornish	Gunther	Kohls	Murphy, M.	Severson	Zellers
Davnie	Hackbarth	Kranz	Nelson	Shimanski	Spk. Kelliher
Dean	Hamilton	Laine	Nornes	Simon	
DeLaForest	Hansen	Lanning	Norton	Simpson	
Demmer	Hausman	Lenczewski	Olin	Slawik	

The bill was passed, as amended, and its title agreed to.

S. F. No. 2918 was reported to the House.

Hilstrom moved to amend S. F. No. 2918, the first engrossment, as follows:

Page 2, after line 18, insert:

# "Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective for hearings conducted on or after the day following final enactment."

The motion prevailed and the amendment was adopted.

S. F. No. 2918, A bill for an act relating to mortgages; providing for proof of abandonment for purposes of a reduced mortgage foreclosure redemption period; amending Minnesota Statutes 2006, section 582.032, subdivision 7.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler Anderson, B. Anderson, S. Anzelc Atkins Beard Benson Berns Bigham Bly Brod Brown Brynaert Buesgens Bunn Carlson Clark Cornish Davnie Dean Del a Forest	Dettmer Dill Dittrich Dominguez Doty Drazkowski Eastlund Eken Emmer Erickson Faust Finstad Fritz Gardner Garofalo Gottwalt Greiling Gunther Hackbarth Hamilton	Haws Heidgerken Hilstrom Hilty Holberg Hoppe Hornstein Hortman Hosch Howes Huntley Jaros Johnson Kahn Kalin Knuth Koenen Kohls Kranz Laine	Lesch Liebling Lieder Lillie Loeffler Madore Mahoney Mariani Marquart Masin McFarlane McNamara Moe Morgan Morrow Mullery Murphy, E. Murphy, M. Nelson Nornes Norton	Olson Otremba Paulsen Paymar Pelowski Peppin Peterson, A. Peterson, S. Poppe Rukavina Ruth Ruud Sailer Scalze Seifert Sertich Severson Shimanski Simon	Slocum Smith Solberg Swails Thao Thissen Tillberry Tingelstad Tschumper Urdahl Wagenius Walker Ward Wardlow Welti Westrom Wollschlager Zellers Spk. Kelliher
Dean DeLaForest Demmer	Hamilton Hansen Hausman	Laine Lanning Lenczewski	Nornes Norton Olin	Simon Simpson Slawik	

The bill was passed, as amended, and its title agreed to.

H. F. No. 3346, A bill for an act relating to housing; providing assistance to prevent mortgage foreclosure; increasing the maximum amount of financial assistance; amending Minnesota Statutes 2006, section 462A.209, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Benson	Brown	Cornish	Dettmer	Drazkowski
Anderson, S.	Berns	Brynaert	Davnie	Dill	Eastlund
Anzelc	Bigham	Bunn	Dean	Dittrich	Eken
Atkins	Bly	Carlson	DeLaForest	Dominguez	Emmer
Beard	Brod	Clark	Demmer	Doty	Erickson

Tingelstad

Tschumper

Wagenius Walker

Wardlow

Wollschlager

Spk. Kelliher

Urdahl

Ward

Welti Westrom

Zellers

Hoppe Ruud Faust Lesch Murphy, M. Finstad Hornstein Liebling Nelson Sailer Lieder Hortman Fritz Nornes Scalze Gardner Hosch Lillie Norton Seifert Garofalo Howes Loeffler Olin Sertich Gottwalt Madore Huntley Olson Severson Greiling Jaros Mahoney Otremba Shimanski Gunther Johnson Mariani Paulsen Simon Hackbarth Kahn Marquart Paymar Simpson Hamilton Kalin Masin Pelowski Slawik McFarlane Slocum Hansen Knuth Peppin Hausman Koenen McNamara Peterson, A. Smith Haws Kohls Moe Peterson, N. Solberg Peterson, S. Heidgerken Kranz Morgan Swails Hilstrom Laine Morrow Poppe Thao Hilty Mullery Rukavina Thissen Lanning Holberg Murphy, E. Ruth Tillberry Lenczewski

Those who voted in the negative were:

Anderson, B. Buesgens

The bill was passed and its title agreed to.

S. F. No. 2910, A bill for an act relating to landlord and tenant; modifying expungement of eviction records; amending Minnesota Statutes 2006, section 484.014, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler McFarlane Dean Greiling Kahn Peterson, N. Anderson, B. DeLaForest Gunther Kalin McNamara Peterson, S. Anderson, S. Demmer Hackbarth Knuth Moe Poppe Anzelc Dettmer Hamilton Koenen Morgan Rukavina Atkins Dill Hansen Kohls Morrow Ruth Beard Dittrich Hausman Kranz Mullery Ruud Benson Dominguez Haws Laine Murphy, E. Sailer Berns Doty Heidgerken Lanning Murphy, M. Scalze Bigham Drazkowski Hilstrom Nelson Seifert Lenczewski Bly Eastlund Hilty Nornes Sertich Lesch Brod Eken Holberg Liebling Norton Severson Brown Emmer Hoppe Lieder Olin Shimanski Brynaert Erickson Hornstein Lillie Olson Simon Buesgens Faust Hortman Loeffler Otremba Simpson Bunn Finstad Hosch Madore Paulsen Slawik Carlson Mahoney Fritz Howes Paymar Slocum Gardner Mariani Clark Huntley Pelowski Smith Cornish Garofalo Jaros Marquart Peppin Solberg Davnie Gottwalt Johnson Masin Peterson, A. Swails

Thao	Tingelstad	Wagenius	Wardlow	Wollschlager
Thissen	Tschumper	Walker	Welti	Zellers
Tillberry	Urdahl	Ward	Westrom	Spk. Kelliher

The bill was passed and its title agreed to.

H. F. No. 3477 was reported to the House.

Gardner moved to amend H. F. No. 3477, the second engrossment, as follows:

Page 9, line 5, delete the second "or" and after "union" insert ", or a licensed sales finance company as defined under section 53C.01, subdivision 12"

Page 9, delete lines 19 to 22

The motion prevailed and the amendment was adopted.

H. F. No. 3477, as amended, was read for the third time.

Emmer moved that H. F. No. 3477, as amended, be re-referred to the Housing Policy and Finance and Public Health Finance Division.

A roll call was requested and properly seconded.

The question was taken on the Emmer motion and the roll was called. There were 43 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Anderson, B. Anderson, S. Beard Berns Brod	DeLaForest Demmer Dettmer Drazkowski Eastlund	Garofalo Gottwalt Gunther Hackbarth Hamilton	Kohls Lanning McFarlane McNamara Nornes	Ruth Seifert Severson Shimanski Simpson	Wardlow Westrom Zellers
Buesgens	Emmer	Heidgerken	Olson	Smith	
Cornish	Erickson	Holberg	Paulsen	Tingelstad	
Dean	Finstad	Hoppe	Peppin	Urdahl	

Those who voted in the negative were:

Abeler	Bly	Clark	Doty	Greiling	Hilty
Anzelc	Brown	Davnie	Eken	Hansen	Hornstein
Atkins	Brynaert	Dill	Faust	Hausman	Hortman
Benson	Bunn	Dittrich	Fritz	Haws	Hosch
Bigham	Carlson	Dominguez	Gardner	Hilstrom	Howes

Wagenius

Wollschlager

Spk. Kelliher

Walker

Ward

Welti

Huntley Lesch Paymar Sertich Moe Pelowski Jaros Liebling Morgan Simon Lieder Morrow Peterson, A. Johnson Slawik Kahn Lillie Mullery Peterson, N. Slocum Loeffler Kalin Murphy, E. Peterson, S. Solberg Knuth Madore Murphy, M. Poppe Swails Koenen Mahoney Nelson Rukavina Thao Kranz Mariani Norton Ruud Thissen Marquart Laine Olin Sailer Tillberry Lenczewski Masin Otremba Scalze Tschumper

The motion did not prevail.

H. F. No. 3477, A bill for an act relating to manufactured housing; providing for regulation of lending practices and default; providing notices and remedies; amending Minnesota Statutes 2006, sections 327.64, subdivision 2; 327.65; 327.66; 327B.01, by adding subdivisions; 327B.08, by adding a subdivision; 327B.09, by adding a subdivision; 327B.12; proposing coding for new law in Minnesota Statutes, chapters 327; 327B.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abeler	Dattmar	Haws	Liabling	Paulsen	Colbora
	Dettmer		Liebling		Solberg
Anderson, B.	Dill	Hilstrom	Lieder	Paymar	Swails
Anderson, S.	Dittrich	Hilty	Lillie	Pelowski	Thao
Anzelc	Dominguez	Holberg	Loeffler	Peppin	Thissen
Atkins	Doty	Hoppe	Madore	Peterson, A.	Tillberry
Beard	Drazkowski	Hornstein	Mahoney	Peterson, N.	Tingelstad
Benson	Eastlund	Hortman	Mariani	Peterson, S.	Tschumper
Berns	Eken	Hosch	Marquart	Poppe	Urdahl
Bigham	Emmer	Howes	Masin	Rukavina	Wagenius
Bly	Erickson	Huntley	McFarlane	Ruth	Walker
Brod	Faust	Jaros	McNamara	Ruud	Ward
Brown	Finstad	Johnson	Moe	Sailer	Wardlow
Brynaert	Fritz	Kahn	Morgan	Scalze	Welti
Buesgens	Gardner	Kalin	Morrow	Seifert	Westrom
Bunn	Garofalo	Knuth	Mullery	Sertich	Wollschlager
Carlson	Gottwalt	Koenen	Murphy, E.	Severson	Zellers
Clark	Greiling	Kohls	Murphy, M.	Shimanski	Spk. Kelliher
Cornish	Gunther	Kranz	Nelson	Simon	_
Davnie	Hackbarth	Laine	Nornes	Simpson	
Dean	Hamilton	Lanning	Norton	Slawik	
DeLaForest	Hansen	Lenczewski	Olin	Slocum	
Demmer	Hausman	Lesch	Otremba	Smith	

Those who voted in the negative were:

Heidgerken Olson

The bill was passed, as amended, and its title agreed to.

H. F. No. 3516 was reported to the House.

Davnie moved to amend H. F. No. 3516, the second engrossment, as follows:

Page 7, after line 10, insert:

## "Sec. 8. [507.0948] DONATIONS; REIMBURSEMENT.

The Electronic Real Estate Recording Commission may accept donations of money or resources, including loaned employees or other services. The donations are appropriated to the Legislative Coordinating Commission for the sole use of the Electronic Real Estate Recording Commission."

Page 7, line 11, delete "[507.0948]" and insert "[507.0949]"

Page 7, lines 12 and 14, delete "act" and insert "article"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Davnie moved that H. F. No. 3516, as amended, be temporarily laid over on the Calendar for the Day. The motion prevailed.

S. F. No. 2909 was reported to the House.

Gunther moved that S. F. No. 2909 be temporarily laid over on the Calendar for the Day. The motion prevailed.

S. F. No. 2908 was reported to the House.

Kohls and Mullery moved to amend S. F. No. 2908, the unofficial engrossment, as follows:

Page 4, after line 3, insert:

#### "Sec. 4. **EFFECTIVE DATE.**

Section 1 is effective for leases entered into on or after August 1, 2008. Section 2 is effective for cancellations of contracts for deed or mortgage foreclosures commenced on or after August 1, 2008. Section 3 is effective for mortgage redemption periods expiring on or after August 1, 2008."

The motion prevailed and the amendment was adopted.

S. F. No. 2908, A bill for an act relating to landlord and tenant; providing for certain notices relating to foreclosure; amending Minnesota Statutes 2006, sections 504B.151; 504B.178, subdivision 8; 504B.285, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Haws	Lesch	Olson	Slocum
Anderson, B.	Dill	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dittrich	Hilstrom	Lieder	Paulsen	Solberg
Anzelc	Dominguez	Hilty	Lillie	Paymar	Swails
Atkins	Doty	Holberg	Loeffler	Pelowski	Thao
Beard	Drazkowski	Hoppe	Madore	Peppin	Thissen
Benson	Eastlund	Hornstein	Mahoney	Peterson, A.	Tillberry
Berns	Eken	Hortman	Mariani	Peterson, N.	Tingelstad
Bigham	Emmer	Hosch	Marquart	Peterson, S.	Tschumper
Bly	Erickson	Howes	Masin	Poppe	Urdahl
Brod	Faust	Huntley	McFarlane	Rukavina	Wagenius
Brown	Finstad	Jaros	McNamara	Ruth	Walker
Brynaert	Fritz	Johnson	Moe	Ruud	Ward
Buesgens	Gardner	Kahn	Morgan	Sailer	Wardlow
Bunn	Garofalo	Kalin	Morrow	Scalze	Welti
Carlson	Gottwalt	Knuth	Mullery	Seifert	Westrom
Clark	Greiling	Koenen	Murphy, E.	Sertich	Wollschlager
Cornish	Gunther	Kohls	Murphy, M.	Severson	Zellers
Davnie	Hackbarth	Kranz	Nelson	Shimanski	Spk. Kelliher
Dean	Hamilton	Laine	Nornes	Simon	
DeLaForest	Hansen	Lanning	Norton	Simpson	
Demmer	Hausman	Lenczewski	Olin	Slawik	

The bill was passed, as amended, and its title agreed to.

H. F. No. 1499 was reported to the House.

Seifert moved to amend H. F. No. 1499, the second engrossment, as follows:

Page 1, after line 7, insert:

# "Section 1. [309.725] RECIPIENTS OF GRANTS AND APPROPRIATIONS.

This section applies to a nonprofit organization that receives a direct appropriation of state funds or that receives a grant of state funds. As a condition of receiving the direct appropriation or grant, the nonprofit organization must agree that during the period covered by the appropriation or grant no officer or employee of the organization will receive an annual salary from the nonprofit organization or a related organization that exceeds \$500,000.

For purposes of this section:

(1) "nonprofit organization" includes a corporation, partnership, limited partnership, limited liability company, joint venture, cooperative, association, or trust, wherever incorporated, organized, or registered, if the entity is organized on a nonprofit bases; and

(2) "related organization" has the meaning defined in section 317A.011, subdivision 18.

**EFFECTIVE DATE.** This section is effective July 1, 2008, and applies to grant agreements entered into and to appropriations received after that date."

Renumber the sections in sequence and correct internal references

Correct the title numbers accordingly

A roll call was requested and properly seconded.

The question was taken on the Seifert amendment and the roll was called. There were 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler	Dean	Garofalo	Knuth	Paulsen	Tingelstad
Anderson, B.	DeLaForest	Gottwalt	Koenen	Paymar	Urdahl
Anderson, S.	Demmer	Gunther	Kohls	Peppin	Wardlow
Anzelc	Dettmer	Hackbarth	Lanning	Peterson, N.	Welti
Beard	Doty	Hamilton	McFarlane	Rukavina	Westrom
Berns	Drazkowski	Hansen	McNamara	Ruth	Zellers
Bigham	Eastlund	Heidgerken	Morgan	Seifert	
Brod	Emmer	Holberg	Nornes	Severson	
Buesgens	Erickson	Hoppe	Norton	Shimanski	
Bunn	Faust	Howes	Olson	Simpson	
Cornish	Finstad	Jaros	Otremba	Smith	

Those who voted in the negative were:

Atkins	Fritz	Kahn	Mariani	Peterson, S.	Thissen
Benson	Gardner	Kalin	Marquart	Poppe	Tillberry
Bly	Greiling	Kranz	Masin	Ruud	Tschumper
Brown	Hausman	Laine	Moe	Sailer	Wagenius
Brynaert	Haws	Lenczewski	Morrow	Scalze	Walker
Carlson	Hilstrom	Lesch	Mullery	Sertich	Ward
Clark	Hilty	Liebling	Murphy, E.	Simon	Wollschlager
Davnie	Hornstein	Lieder	Murphy, M.	Slawik	Spk. Kelliher
Dill	Hortman	Lillie	Nelson	Slocum	-
Dittrich	Hosch	Loeffler	Olin	Solberg	
Dominguez	Huntley	Madore	Pelowski	Swails	
Eken	Johnson	Mahoney	Peterson, A.	Thao	

The motion did not prevail and the amendment was not adopted.

H. F. No. 1499, A bill for an act relating to commerce; enacting the Uniform Prudent Management of Institutional Funds Act approved and recommended by the National Conference of Commissioners on Uniform State Laws; proposing coding for new law in Minnesota Statutes, chapter 309; repealing Minnesota Statutes 2006, sections 309.62; 309.63; 309.64; 309.65; 309.66; 309.67; 309.68; 309.69; 309.70; 309.71.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hilstrom	Liebling	Otremba	Slocum
Anderson, S.	Dittrich	Hilty	Lieder	Paulsen	Smith
Anzelc	Dominguez	Holberg	Lillie	Paymar	Solberg
Atkins	Doty	Hoppe	Loeffler	Pelowski	Swails
Beard	Drazkowski	Hornstein	Madore	Peppin	Thao
Benson	Eastlund	Hortman	Mahoney	Peterson, A.	Thissen
Berns	Eken	Hosch	Mariani	Peterson, N.	Tillberry
Bigham	Erickson	Howes	Marquart	Peterson, S.	Tingelstad
Bly	Faust	Huntley	Masin	Poppe	Tschumper
Brod	Finstad	Jaros	McFarlane	Rukavina	Urdahl
Brown	Fritz	Johnson	McNamara	Ruth	Wagenius
Brynaert	Gardner	Kahn	Moe	Ruud	Walker
Bunn	Garofalo	Kalin	Morgan	Sailer	Ward
Carlson	Gottwalt	Knuth	Morrow	Scalze	Wardlow
Clark	Greiling	Koenen	Mullery	Seifert	Welti
Cornish	Gunther	Kohls	Murphy, E.	Sertich	Westrom
Davnie	Hackbarth	Kranz	Murphy, M.	Severson	Wollschlager
Dean	Hamilton	Laine	Nelson	Shimanski	Zellers
DeLaForest	Hansen	Lanning	Nornes	Simon	Spk. Kelliher
Demmer	Hausman	Lenczewski	Norton	Simpson	
Dettmer	Haws	Lesch	Olin	Slawik	

Those who voted in the negative were:

Anderson, B. Buesgens Emmer Heidgerken Olson

The bill was passed and its title agreed to.

S. F. No. 2909, which was temporarily laid over earlier today on the Calendar for the Day, was again reported to the House.

Gunther moved to amend S. F. No. 2909 as follows:

Page 1, line 13, after the period, insert "<u>If a building is posted, the posting must be placed in at least one conspicuous location in the building and provide tenants with, at a minimum, the following information: (1) the date the service will be discontinued; (2) the telephone number to call at the utility to obtain further information;</u>

(3) a brief description of the rights of tenants under this section to continue or restore service; and (4) advice to consider seeking assistance from legal aid, a private attorney, or a housing organization in exercising the rights of tenants under Minnesota law to maintain their utility service."

The motion prevailed and the amendment was adopted.

S. F. No. 2909, A bill for an act relating to landlord and tenant; modifying right of tenant to pay utility bills; amending Minnesota Statutes 2006, section 504B.215, subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Haws	Lesch	Olson	Slocum
Anderson, B.	Dill	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dittrich	Hilstrom	Lieder	Paulsen	Solberg
Anzelc	Dominguez	Hilty	Lillie	Paymar	Swails
Atkins	Doty	Holberg	Loeffler	Pelowski	Thao
Beard	Drazkowski	Hoppe	Madore	Peppin	Thissen
Benson	Eastlund	Hornstein	Mahoney	Peterson, A.	Tillberry
Berns	Eken	Hortman	Mariani	Peterson, N.	Tingelstad
Bigham	Emmer	Hosch	Marquart	Peterson, S.	Tschumper
Bly	Erickson	Howes	Masin	Poppe	Urdahl
Brod	Faust	Huntley	McFarlane	Rukavina	Wagenius
Brown	Finstad	Jaros	McNamara	Ruth	Walker
Brynaert	Fritz	Johnson	Moe	Ruud	Ward
Buesgens	Gardner	Kahn	Morgan	Sailer	Wardlow
Bunn	Garofalo	Kalin	Morrow	Scalze	Welti
Carlson	Gottwalt	Knuth	Mullery	Seifert	Westrom
Clark	Greiling	Koenen	Murphy, E.	Sertich	Wollschlager
Cornish	Gunther	Kohls	Murphy, M.	Severson	Zellers
Davnie	Hackbarth	Kranz	Nelson	Shimanski	Spk. Kelliher
Dean	Hamilton	Laine	Nornes	Simon	
DeLaForest	Hansen	Lanning	Norton	Simpson	
Demmer	Hausman	Lenczewski	Olin	Slawik	

The bill was passed, as amended, and its title agreed to.

H. F. No. 3516, as amended, which was temporarily laid over earlier today on the Calendar for the Day, was again reported to the House.

Davnie and Holberg moved to amend H. F. No. 3516, the second engrossment, as amended, as follows:

Page 2, line 23, after "Office," insert "the Information Policy Analysis Division of the Department of Administration,"

The motion prevailed and the amendment was adopted.

H. F. No. 3516, A bill for an act relating to real property; providing specification of certain information about a premises subject to foreclosure; providing for electronic recording; requiring a report; amending Minnesota Statutes 2006, sections 14.03, subdivision 3; 58.02, by adding a subdivision; 287.08; 287.241; 287.25; 386.03; 386.19; 386.26, subdivision 1; 386.31; 386.409; 507.093; 507.40; 507.46, subdivision 1; Minnesota Statutes 2007 Supplement, section 507.24, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 272; 507; 580.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Haws	Lesch	Olson	Slocum
Anderson, B.	Dill	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dittrich	Hilstrom	Lieder	Paulsen	Solberg
Anzelc	Dominguez	Hilty	Lillie	Paymar	Swails
Atkins	Doty	Holberg	Loeffler	Pelowski	Thao
Beard	Drazkowski	Hoppe	Madore	Peppin	Thissen
Benson	Eastlund	Hornstein	Mahoney	Peterson, A.	Tillberry
Berns	Eken	Hortman	Mariani	Peterson, N.	Tingelstad
Bigham	Emmer	Hosch	Marquart	Peterson, S.	Tschumper
Bly	Erickson	Howes	Masin	Poppe	Urdahl
Brod	Faust	Huntley	McFarlane	Rukavina	Wagenius
Brown	Finstad	Jaros	McNamara	Ruth	Walker
Brynaert	Fritz	Johnson	Moe	Ruud	Ward
Buesgens	Gardner	Kahn	Morgan	Sailer	Wardlow
Bunn	Garofalo	Kalin	Morrow	Scalze	Welti
Carlson	Gottwalt	Knuth	Mullery	Seifert	Westrom
Clark	Greiling	Koenen	Murphy, E.	Sertich	Wollschlager
Cornish	Gunther	Kohls	Murphy, M.	Severson	Zellers
Davnie	Hackbarth	Kranz	Nelson	Shimanski	Spk. Kelliher
Dean	Hamilton	Laine	Nornes	Simon	_
DeLaForest	Hansen	Lanning	Norton	Simpson	
Demmer	Hausman	Lenczewski	Olin	Slawik	

The bill was passed, as amended, and its title agreed to.

The Speaker called Pelowski to the Chair.

H. F. No. 3220 was reported to the House.

Buesgens moved to amend H. F. No. 3220 as follows:

Page 1, after line 12, insert "A political subdivision of the state may not make monetary or in-kind grants to any nonprofit organization that is directly or indirectly affiliated with a political party or that is directly or indirectly involved in political activity."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Buesgens amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Garofalo	Howes	Nornes	Simpson
Anderson, B.	Demmer	Gottwalt	Kalin	Olson	Smith
Anderson, S.	Dettmer	Gunther	Koenen	Paulsen	Tingelstad
Beard	Dittrich	Hackbarth	Kohls	Peppin	Tschumper
Berns	Drazkowski	Hamilton	Kranz	Ruth	Urdahl
Brod	Eastlund	Haws	Lanning	Sailer	Wardlow
Buesgens	Emmer	Heidgerken	Masin	Scalze	Welti
Bunn	Erickson	Holberg	McFarlane	Seifert	Westrom
Cornish	Faust	Hoppe	McNamara	Severson	Wollschlager
Dean	Finstad	Hosch	Morgan	Shimanski	Zellers

Those who voted in the negative were:

Anzelc	Doty	Jaros	Mahoney	Paymar	Solberg
Atkins	Eken	Johnson	Mariani	Pelowski	Swails
Benson	Fritz	Kahn	Marquart	Peterson, A.	Thao
Bigham	Gardner	Knuth	Moe	Peterson, N.	Thissen
Bly	Greiling	Laine	Morrow	Peterson, S.	Tillberry
Brown	Hansen	Lenczewski	Mullery	Poppe	Wagenius
Brynaert	Hausman	Lesch	Murphy, E.	Rukavina	Walker
Carlson	Hilstrom	Liebling	Murphy, M.	Ruud	Ward
Clark	Hilty	Lieder	Nelson	Sertich	Spk. Kelliher
Davnie	Hornstein	Lillie	Norton	Simon	-
Dill	Hortman	Loeffler	Olin	Slawik	
Dominguez	Huntley	Madore	Otremba	Slocum	

The motion did not prevail and the amendment was not adopted.

Buesgens moved to amend H. F. No. 3220 as follows:

Page 1, after line 12 insert:

- (1) its local government aid or county program aid in the current year is less than it was in the previous calendar year;
- (2) it is a school district that is in statutory operating debt or has any schools that are not making adequate yearly progress;
  - (3) it is the metropolitan council; or
  - (4) it is a joint powers authority."

A roll call was requested and properly seconded.

<sup>&</sup>quot;A political subdivision may not make grants to a nonprofit organization under this section if:

The question was taken on the Buesgens amendment and the roll was called. There were 42 yeas and 87 nays as follows:

Those who voted in the affirmative were:

Abeler	Bunn	Emmer	Hamilton	Olson	Shimanski
Anderson, B.	Cornish	Erickson	Holberg	Paulsen	Simpson
Anderson, S.	Dean	Finstad	Hoppe	Peppin	Smith
Beard	DeLaForest	Garofalo	Howes	Peterson, A.	Tingelstad
Berns	Dettmer	Gottwalt	Kohls	Ruth	Wardlow
Brod	Drazkowski	Gunther	McNamara	Seifert	Westrom
Buesgens	Eastlund	Hackbarth	Nornes	Severson	Zellers

## Those who voted in the negative were:

Anzelc	Eken	Jaros	Madore	Otremba	Swails
Atkins	Faust	Johnson	Mahoney	Paymar	Thao
Benson	Fritz	Kahn	Mariani	Pelowski	Thissen
Bigham	Gardner	Kalin	Marquart	Peterson, N.	Tillberry
Bly	Greiling	Knuth	Masin	Peterson, S.	Tschumper
Brown	Hansen	Koenen	McFarlane	Poppe	Urdahl
Brynaert	Hausman	Kranz	Moe	Rukavina	Wagenius
Carlson	Haws	Laine	Morgan	Ruud	Walker
Clark	Heidgerken	Lanning	Morrow	Sailer	Ward
Davnie	Hilstrom	Lenczewski	Mullery	Scalze	Welti
Demmer	Hilty	Lesch	Murphy, E.	Sertich	Wollschlager
Dill	Hornstein	Liebling	Murphy, M.	Simon	Spk. Kelliher
Dittrich	Hortman	Lieder	Nelson	Slawik	
Dominguez	Hosch	Lillie	Norton	Slocum	
Doty	Huntley	Loeffler	Olin	Solberg	

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

# CALL OF THE HOUSE

On the motion of Seifert and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Bunn	Drazkowski	Hackbarth	Howes	Liebling
Anderson, B.	Carlson	Eastlund	Hamilton	Huntley	Lieder
Anderson, S.	Clark	Eken	Hansen	Jaros	Lillie
Atkins	Cornish	Emmer	Hausman	Johnson	Loeffler
Beard	Davnie	Erickson	Haws	Kahn	Madore
Benson	Dean	Faust	Heidgerken	Kalin	Mahoney
Berns	DeLaForest	Finstad	Hilstrom	Knuth	Mariani
Bigham	Demmer	Fritz	Hilty	Koenen	Marquart
Bly	Dettmer	Gardner	Holberg	Kohls	Masin
Brod	Dill	Garofalo	Hoppe	Kranz	McFarlane
Brown	Dittrich	Gottwalt	Hornstein	Laine	McNamara
Brynaert	Dominguez	Greiling	Hortman	Lanning	Moe
Buesgens	Doty	Gunther	Hosch	Lesch	Morgan

Morrow	Paulsen	Rukavina	Shimanski	Thao	Wardlow
Murphy, E.	Paymar	Ruth	Simon	Thissen	Welti
Murphy, M.	Pelowski	Ruud	Simpson	Tillberry	Westrom
Nelson	Peppin	Sailer	Slawik	Tschumper	Wollschlager
Nornes	Peterson, A.	Scalze	Slocum	Urdahl	Zellers
Norton	Peterson, N.	Seifert	Smith	Wagenius	Spk. Kelliher
Olin	Peterson, S.	Sertich	Solberg	Walker	•
Otremba	Ponne	Severson	Swails	Ward	

Seifert moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Seifert moved to amend H. F. No. 3220 as follows:

Page 1, after line 12, insert "A political subdivision of the state may not make monetary or in-kind grants to any nonprofit organization that is directly or indirectly affiliated with a provider of abortions or that is directly or indirectly involved in providing abortions."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Seifert amendment and the roll was called. There were 64 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Fritz	Howes	Olin	Simpson
Anderson, B.	Dill	Garofalo	Koenen	Olson	Smith
Anderson, S.	Dittrich	Gottwalt	Kohls	Otremba	Tingelstad
Beard	Doty	Gunther	Lanning	Paulsen	Urdahl
Berns	Drazkowski	Hackbarth	Lenczewski	Pelowski	Ward
Brod	Eastlund	Hamilton	Lieder	Peppin	Wardlow
Buesgens	Eken	Haws	Marquart	Peterson, N.	Welti
Cornish	Emmer	Heidgerken	McFarlane	Ruth	Westrom
Dean	Erickson	Holberg	McNamara	Seifert	Zellers
DeLaForest	Faust	Hoppe	Murphy, M.	Severson	
Demmer	Finstad	Hosch	Nornes	Shimanski	

# Those who voted in the negative were:

Anzelc	Bunn	Greiling	Huntley	Laine	Mariani
Atkins	Carlson	Hansen	Jaros	Lesch	Masin
Benson	Clark	Hausman	Johnson	Liebling	Moe
Bigham	Davnie	Hilstrom	Kahn	Lillie	Morgan
Bly	Dominguez	Hilty	Kalin	Loeffler	Morrow
Brown	Erhardt	Hornstein	Knuth	Madore	Mullery
Brynaert	Gardner	Hortman	Kranz	Mahoney	Murphy, E.

Nelson	Poppe	Sertich	Swails	Wagenius
Norton	Rukavina	Simon	Thao	Walker
Paymar	Ruud	Slawik	Thissen	Wollschlager
Peterson, A.	Sailer	Slocum	Tillberry	Spk. Kelliher
Peterson, S.	Scalze	Solberg	Tschumper	•

The motion did not prevail and the amendment was not adopted.

H. F. No. 3220, A bill for an act relating to local government; authorizing political subdivisions to make grants to nonprofit organizations; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 97 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Abeler	Eken	Huntley	Mahoney	Pelowski	Thissen
Anzelc	Erhardt	Jaros	Mariani	Peterson, A.	Tillberry
Atkins	Faust	Johnson	Marquart	Peterson, N.	Tingelstad
Benson	Fritz	Kahn	Masin	Peterson, S.	Tschumper
Bigham	Gardner	Kalin	McFarlane	Poppe	Urdahl
Bly	Greiling	Knuth	McNamara	Rukavina	Wagenius
Brown	Gunther	Koenen	Moe	Ruth	Walker
Brynaert	Hansen	Kranz	Morgan	Ruud	Ward
Bunn	Hausman	Laine	Morrow	Sailer	Wardlow
Carlson	Haws	Lanning	Mullery	Scalze	Welti
Clark	Heidgerken	Lenczewski	Murphy, E.	Sertich	Wollschlager
Davnie	Hilstrom	Lesch	Murphy, M.	Simon	Spk. Kelliher
Demmer	Hilty	Liebling	Nelson	Slawik	_
Dill	Hornstein	Lieder	Norton	Slocum	
Dittrich	Hortman	Lillie	Olin	Solberg	
Dominguez	Hosch	Loeffler	Otremba	Swails	
Doty	Howes	Madore	Paymar	Thao	

Those who voted in the negative were:

Anderson, B.	Cornish	Emmer	Hamilton	Paulsen	Smith
Anderson, S.	Dean	Erickson	Holberg	Peppin	Westrom
Beard	DeLaForest	Finstad	Hoppe	Seifert	Zellers
Berns	Dettmer	Garofalo	Kohls	Severson	
Brod	Drazkowski	Gottwalt	Nornes	Shimanski	
Buesgens	Eastlund	Hackbarth	Olson	Simpson	

The bill was passed and its title agreed to.

## CALL OF THE HOUSE LIFTED

Sertich moved that the call of the House be lifted. The motion prevailed and it was so ordered.

S. F. No. 3461, A bill for an act relating to local government; changing the date by which counties must provide summary budget data; amending Minnesota Statutes 2006, section 6.745, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hausman	Lenczewski	Olin	Slawik
Anderson, B.	Dill	Haws	Lesch	Olson	Slocum
Anderson, S.	Dittrich	Heidgerken	Liebling	Otremba	Solberg
Anzelc	Dominguez	Hilstrom	Lieder	Paulsen	Swails
Atkins	Doty	Hilty	Lillie	Paymar	Thao
Beard	Drazkowski	Holberg	Loeffler	Pelowski	Thissen
Benson	Eastlund	Hoppe	Madore	Peppin	Tillberry
Berns	Eken	Hornstein	Mahoney	Peterson, A.	Tingelstad
Bigham	Emmer	Hortman	Mariani	Peterson, N.	Tschumper
Bly	Erhardt	Hosch	Marquart	Peterson, S.	Urdahl
Brod	Erickson	Howes	Masin	Poppe	Wagenius
Brown	Faust	Huntley	McFarlane	Rukavina	Walker
Brynaert	Finstad	Jaros	McNamara	Ruth	Ward
Buesgens	Fritz	Johnson	Moe	Ruud	Wardlow
Bunn	Gardner	Kahn	Morgan	Sailer	Welti
Carlson	Garofalo	Kalin	Morrow	Scalze	Westrom
Clark	Gottwalt	Knuth	Mullery	Seifert	Wollschlager
Cornish	Greiling	Koenen	Murphy, E.	Sertich	Zellers
Davnie	Gunther	Kohls	Murphy, M.	Severson	Spk. Kelliher
Dean	Hackbarth	Kranz	Nelson	Shimanski	-
DeLaForest	Hamilton	Laine	Nornes	Simon	
Demmer	Hansen	Lanning	Norton	Simpson	

Those who voted in the negative were:

Smith

The bill was passed and its title agreed to.

H. F. No. 3657, A bill for an act relating to Carver County; making the library board advisory to the county board.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Anzelc	Benson	Bly	Brynaert	Carlson
Anderson, B.	Atkins	Berns	Brod	Buesgens	Clark
Anderson, S.	Beard	Bigham	Brown	Bunn	Cornish

Garofalo Solberg Davnie Jaros Marquart Peppin Dean Gottwalt Johnson Masin Peterson, A. Swails DeLaForest Greiling Kahn McFarlane Peterson, N. Thao Demmer Gunther Kalin McNamara Peterson, S. Thissen Dettmer Hackbarth Knuth Moe Poppe Tillberry Hamilton Tingelstad Dill Koenen Morgan Rukavina Dittrich Hansen Kohls Morrow Ruth Tschumper Dominguez Hausman Kranz Mullery Ruud Urdahl Wagenius Haws Murphy, E. Sailer Doty Laine Drazkowski Heidgerken Lanning Murphy, M. Scalze Walker Eastlund Hilstrom Ward Lenczewski Nelson Seifert Wardlow Eken Hilty Lesch Nornes Sertich Emmer Holberg Liebling Norton Severson Welti Erhardt Hoppe Lieder Olin Shimanski Westrom Erickson Hornstein Lillie Olson Wollschlager Simon Hortman Loeffler Simpson Faust Otremba Zellers Slawik Finstad Hosch Paulsen Spk. Kelliher Madore Fritz Howes Mahonev Pavmar Slocum Gardner Huntley Mariani Pelowski Smith

The bill was passed and its title agreed to.

Sertich moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Masin moved that the name of Loeffler be added as an author on H. F. No. 2107. The motion prevailed.

Brod moved that the name of Bly be added as an author on H. F. No. 2172. The motion prevailed.

Bigham moved that the name of McNamara be added as an author on H. F. No. 2782. The motion prevailed.

Peterson, S., moved that the name of Loeffler be added as an author on H. F. No. 2983. The motion prevailed.

Scalze moved that the name of Loeffler be added as an author on H. F. No. 3135. The motion prevailed.

Davnie moved that the name of Loeffler be added as an author on H. F. No. 3346. The motion prevailed.

Slawik moved that the name of Loeffler be added as an author on H. F. No. 3463. The motion prevailed.

Davnie moved that the name of Loeffler be added as an author on H. F. No. 3516. The motion prevailed.

Kranz moved that the name of Atkins be added as an author on H. F. No. 3607. The motion prevailed.

Clark moved that the name of Loeffler be added as an author on H. F. No. 3607. The motion prevailed.

Severson moved that the name of Gottwalt be added as an author on H. F. No. 3756. The motion prevailed.

Marquart moved that the name of Loeffler be added as an author on H. F. No. 3756. The motion prevailed.

Clark moved that the name of Loeffler be added as an author on H. F. No. 3821. The motion prevailed.

Moe moved that the name of Bigham be added as an author on H. F. No. 3935. The motion prevailed.

Thissen moved that the name of Loeffler be added as an author on H. F. No. 4002. The motion prevailed.

Hausman moved that the names of Marquart and Mahoney be added as authors on H. F. No. 4034. The motion prevailed.

Kalin moved that the name of Morrow be added as an author on H. F. No. 4124. The motion prevailed.

Slawik moved that the name of Loeffler be added as an author on H. F. No. 4125. The motion prevailed.

#### **ADJOURNMENT**

Sertich moved that when the House adjourns today it adjourn until 9:00 a.m., Wednesday, April 2, 2008. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 9:00 a.m., Wednesday, April 2, 2008.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives